

AFFIDAVIT OF DOUGLAS J. OBERLANDER

STATE OF ILLINOIS)
) SS
COUNTY OF PEORIA)

The Affiant being first duly sworn upon his oath does depose and state as follows:

1. My name is Douglas J. Oberlander. I am of legal age, under no legal disability, and otherwise competent to make this affidavit.

2. I am the Managing Member/CEO of Voice Spring, LLC, an Illinois limited liability company (hereafter “Voice Spring”) and have the authority to make this Affidavit on behalf of Voice Spring.

3. This Affidavit is made in support of an appeal by Voice Spring to the Federal Communications Commission (the “FCC”) of a late filing sanction assessed by the Universal Service Administrative Co (the “USAC”) against Voice Spring in the amount of \$81,400.00 on June 21, 2019.

4. The \$81,400.00 sanction was imposed by USAC as the result of Voice Spring’s late filing of eleven 499-A Worksheets, A true and correct copy of the USAC sanction assessment is attached hereto as Exhibit A.

5. By this appeal Voice Spring requests waiver of the \$81,400.00 sanction or, in the alternative, a reduction in the amount of the sanction.

6. I founded Voice Spring in late 2005. The company was then known as Voice Leap, LLC. Articles of Organization were issued by the Illinois Secretary of State for Voice Leap, LLC on November 16, 2005. The company changed its name to Voice Spring, LLC shortly thereafter.

**Westervelt,
Johnson, Nicoll
& Keller, LLC**

Suite 1400
411 Hamilton Blvd.
Peoria, Illinois 61602
Fax (309) 671-3550
(309) 671-3588

7. Voice Spring began operations in 2007, providing Illinois business customers with telephone service on a hosted Voice over Internet Protocol (VoIP) platform. The third-party provider bills Voice Spring for the VoIP services provided to Voice Spring, which billings include a federal Universal Fund (USF) surcharge. The third-party host remits to the appropriate entity the USF contributions paid by Voice Spring.

8. Prior to its inception, Voice Spring retained the law firm of Howard & Howard, a regional law firm with telecommunications experience, to provide legal counsel to Voice Spring and assist with organizing the company and to determine regulatory requirements for the operation of its business.

9. In this regard, I was advised by Howard & Howard that Voice Spring not an entity required to submit 499-A filings to the FCC because Voice Spring was a provider of VoIP services and its annual USF contribution was expected to be de minimis.

10. In the fall of 2018, Voice Spring retained RTC Associates, LLC ("RTC") to assist Voice Spring with its billing and tax remittance processes.

11. Shortly thereafter RTC determined that Voice Spring did not have a FCC 499 Filer ID number.

12. In short order, an application was submitted by RTC for issuance of a Filer ID number, and Voice Spring was thereafter issued Filer ID number 932991.

13. Following issuance of the Filer ID number, Voice Spring received a certified letter from USAC dated January 7, 2019. A true and correct copy of the USCA letter is attached hereto as Exhibit B and incorporated herein.

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14. The January 7, 2019 letter informed that Voice Spring had failed to submit filings required of it under 47 C.F.R. §54.706(a). The letter requested a response from Voice Spring by February 7, 2019.

15. On January 23, 2019, I contacted Rosella Talarico-Diaz, Senior Telecom Industry Analyst for USAC, to learn why the letter was issued to Voice Spring. Up until that time I believed Voice Spring was exempt from submitting filings.

16. It was through my conversation with Ms. Talarico-Diaz that I became aware that Voice Spring was not, in fact, exempt from filing 499-A Worksheets. Ms. Talarico-Diaz and I discussed what was needed for Voice Spring to become compliant and the steps I would need to take on Voice Spring's behalf when I returned to my office the following month. That conversation is memorialized in a letter I sent to Ms. Talarico-Diaz on January 23, 2019, a true and correct copy of which is attached hereto as Exhibit C and incorporated herein.

17. I thereafter took prompt and diligent steps on behalf of Voice Spring to work with USAC to understand and determine the information necessary to prepare the filings and to submit eleven 499-A Worksheets. By May 6, 2019 the 499-A Worksheets for the years 2008 through 2018 had been completed and filed with USAC.

18. At no time did Voice Spring attempt to evade or ignore its obligation to submit 499-A filings. Instead, Voice Spring had a good faith belief that it was exempt from the reporting requirements based on advice provided by its prior legal counsel, and Voice Spring was unaware of any change in the regulations after that legal advice was received.

19. In all the years that Voice Spring has been in operation, not once has its annual USF assessment exceeded \$10,000.00.

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& Keller, LLC**

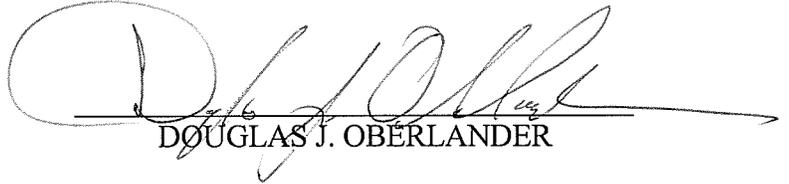
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20. Voice Spring is a small company with eight employees, including myself.

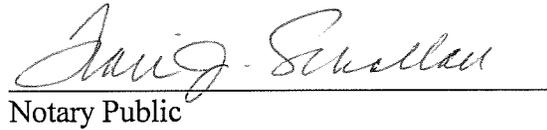
The \$81,400.00 late filing sanction creates a financial hardship on Voice Spring.

21. If sworn as a witness, I will testify competently to the facts as stated above.

FURTHER AFFIANT SAYETH NOT.


DOUGLAS J. OBERLANDER

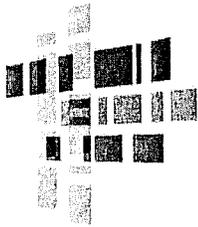
SUBSCRIBED AND SWORN TO before me this 15th day of August, 2019.


Notary Public



Westervelt,
Johnson, Nicoll
& Keller, LLC

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**Universal Service
Administrative Co.**

Filer 499 ID: 832991
Invoice Number: UBDI0001052035
Statement Date: 06/21/2019
New Balance: \$ 81,400.00
Payment Due Date: 07/15/2019

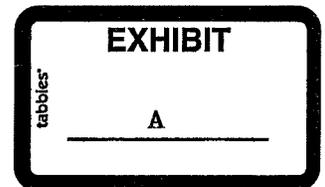
Voice Spring, LLC
 Attention: Kenny Perkins
 3075 BRECKINRIDGE BLVD, STE 425
 DULUTH, GA, 30096

ACCOUNT STATUS

- Account is in good standing.

STATEMENT OF ACCOUNT

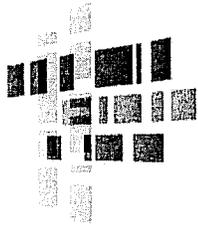
Date	Description	Charges	Credits
	Previous Balance		\$0.00
06/14/2019	Late Filing Sanction	\$81,400.00	
TOTAL OUTSTANDING USAC BALANCE AS OF 6/14/2019		\$81,400.00	



Transactions occurring after 06/14/2019 are not reflected on this statement.

Under the Debt Collection Improvement Act of 1996 (Pub. L. 104-134) (DCIA), your BALANCE DUE is a demand that you pay a DEBT owed to the United States on or before the DUE DATE. Any portion of the DEBT unpaid after the DUE DATE is a DELINQUENT DEBT, which may result in sanctions, including interest, penalties, and administrative charges. Failure to file a Telecommunications Worksheet may result in a late filing fee DEBT added to your BALANCE DUE. Read the reverse of this Invoice for important information about those sanctions and your legal rights and obligations.

Statement Date	Invoice Number	Filer 499 ID	Balance Due USAC
06/21/2019	UBDI0001052035	832991	\$ 81,400.00
FORM 499Q DATA		PAYMENT INFORMATION	
This month's support mechanism charges were calculated using an FCC contribution factor of 0.188000 and the following revenue data: February 2019 499Q 120b 120c If the figures do not correspond with your records, please contact USAC Customer Service at 888-641-8722		All payments received (regardless of specific instructions) will be applied to your outstanding USAC balance in historical order as outlined in FCC order 07-150. Go to www.usac.org/pay to make a payment.	



**Universal Service
Administrative Co.**

Filer 499 ID: 832991
Invoice Number: UBDI0001052035
Statement Date: 06/21/2019

DETAILED SUMMARY OF CHARGES AND CREDITS

SUPPORT MECHANISM CHARGES

Your monthly support mechanism charges were calculated according to the following formulas:

LIRE Eligibility

If a carrier's quarterly interstate revenue equals less than 12.00% of their combined quarterly interstate and international revenue, the carrier is eligible for the Limited Interstate Revenue Exemption (LIRE). Based on your 499Q data, your interstate revenue equals _____ percent of your combined interstate and international revenue. Therefore, you are eligible for the LIRE exemption. As a result, your international revenue will not be used in determining your quarterly contribution base.

Quarterly Contribution Base

The quarterly contribution base is a portion of your quarterly revenue that USAC considers when determining your quarterly Universal Service Fund contribution. The quarterly contribution base equals your interstate plus international revenue. Your current quarterly contribution base equals:

$$\frac{\text{Interstate Revenue (Line 120B)}}{\text{Interstate Revenue (Line 120B)}} + \frac{\text{International Revenue (Line 120C)}}{\text{International Revenue (Line 120C)}} = \frac{\text{Quarterly Contribution Base}}{\text{Quarterly Contribution Base}}$$

Adjusted Quarterly Contribution

USAC adjusts carriers' quarterly contribution bases by the amount that they are expected to contribute in that quarter. The calculation for an adjusted contribution amount is as follows, and takes into account the circularity deduction:

$$\frac{\text{Quarterly Contribution Base}}{\text{Quarterly Contribution Base}} * \frac{0.188000}{\text{FCC Contribution Factor}} = \frac{\text{Unadjusted Contribution}}{\text{Unadjusted Contribution}}$$

$$\frac{\text{Unadjusted Contribution}}{\text{Unadjusted Contribution}} - \left(\frac{\text{Unadjusted Contribution}}{\text{Unadjusted Contribution}} * \frac{0.158414}{\text{FCC Circularity Factor}} \right) = \frac{\text{Adjusted Contribution}}{\text{Adjusted Contribution}}$$

De Minimis Eligibility

Carriers whose expected annual contribution is less than \$10,000 are considered de minimis and are exempted from paying into the Universal Service Fund. To be exempt, a carrier must meet the de minimis criteria on both the current 499A and 499Q forms.

You meet the de minimis criteria on neither the 499A or the current 499Q. Therefore, you are not eligible for the de minimis exemption during the current quarter.

Your eligibility was calculated using the contribution factors established by the FCC for determining de minimis status on each form:

499A:

$$\frac{\text{499A Contribution Base}}{\text{499A Contribution Base}} * \frac{0.169000}{\text{FCC Estimated Annual Factor}} = \frac{\text{Estimated 499A Contribution}}{\text{Estimated 499A Contribution}}$$

499Q:

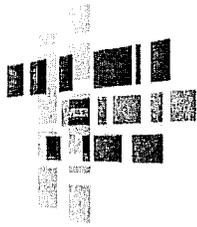
$$\frac{\text{Adjusted Contribution}}{\text{Adjusted Contribution}} * 4 = \frac{\text{Estimated 499Q Contribution}}{\text{Estimated 499Q Contribution}}$$

For more information on the FCC estimated annual factor, please see the Form 499A Instructions. For more information on the current FCC contribution factor, visit the FCC website at www.fcc.gov.

Support Mechanism Charges

Your total monthly contribution is determined by multiplying one-third of your adjusted quarterly contribution base by the current quarter's FCC contribution factor.

$$\frac{1/3}{1/3} * \frac{\text{Adjusted Quarterly Contribution}}{\text{Adjusted Quarterly Contribution}} = \frac{\text{Total Monthly Contribution}}{\text{Total Monthly Contribution}}$$



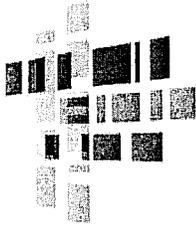
**Universal Service
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LATE FILING SANCTION

A late filing fee (described on the reverse of the invoice) may be imposed for failing to file a Worksheet (Form 499-Q or 499-A). That late filing fee is the greater of \$100 per month or an amount computed using the rate of the U.S. prime rate (in effect on the date the applicable Worksheet is due) plus 3.5 percent multiplied against the filer's monthly contribution obligation as determined by the Administrator. The fee, included in the BALANCE DUE is a DELINQUENT DEBT if not paid, and subject to COLLECTION ACTION. The reverse of the Invoice provides more information.

Filing - Due Date	Monthly USF Obligation	Filing Received Date	Rate	Days/Months Delinquent	Additional Sanction Amount	Accrued Sanction Amount	Total Sanction Amount (F + G)
A	B	C	D	E	F	G	H
Apr 18 499A - 4/2/2018	\$420.36	05/06/2019	100.00/mo	14 MONTH(S)	\$1,400.00	\$0.00	\$1,400.00
Apr 17 499A - 4/3/2017	\$325.96	05/06/2019	100.00/mo	26 MONTH(S)	\$2,600.00	\$0.00	\$2,600.00
Apr 16 499A - 4/1/2016	\$255.68	05/08/2019	100.00/mo	38 MONTH(S)	\$3,800.00	\$0.00	\$3,800.00
Apr 15 499A - 4/1/2015	\$205.15	05/06/2019	100.00/mo	50 MONTH(S)	\$5,000.00	\$0.00	\$5,000.00
Apr 14 499A - 4/1/2014	\$193.14	05/03/2019	100.00/mo	62 MONTH(S)	\$6,200.00	\$0.00	\$6,200.00
Apr 13 499A - 4/1/2013	\$234.58	05/06/2019	100.00/mo	74 MONTH(S)	\$7,400.00	\$0.00	\$7,400.00
Apr 12 499A - 4/2/2012	\$197.69	05/06/2019	100.00/mo	86 MONTH(S)	\$8,600.00	\$0.00	\$8,600.00
Apr 11 499A - 4/1/2011	\$454.22	05/06/2019	100.00/mo	98 MONTH(S)	\$9,800.00	\$0.00	\$9,800.00
Apr 10 499A - 4/1/2010	\$488.86	05/06/2019	100.00/mo	110 MONTH(S)	\$11,000.00	\$0.00	\$11,000.00
Apr 09 499A - 4/1/2009	\$434.24	05/06/2019	100.00/mo	122 MONTH(S)	\$12,200.00	\$0.00	\$12,200.00
Apr 08 499A - 4/1/2008	\$227.99	05/06/2019	100.00/mo	134 MONTH(S)	\$13,400.00	\$0.00	\$13,400.00
TOTAL					\$81,400.00	\$0.00	\$81,400.00



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Interest & DCIA Penalties

A DELINQUENT DEBT incurs interest at the annual rate equal to the U.S. prime rate as of the DATE OF DELINQUENCY plus 3.5 percent from that DATE until the DEBT is paid in full. Any portion of the DEBT unpaid more than 90 days, incurs a penalty of 6 percent a year from the DATE OF DELINQUENCY. The reverse of the Invoice provides more information on interest, penalties, and administrative charges.

Description - Debt Due Date	Principal	Payment/ Credit Date	Interest Rate	Days Late	Additional Interest (B*(D/365)*E)	Accrued Interest	Total Interest (F+G)	Payment & Credits Applied	Interest Outstanding	Principal Outstanding
A	B	C	D	E	F	G	H	I	J	K

Outstanding Items

UBDI0001052035 - 7/15/2019	\$81,400.00		0.00%	0	\$0.00	\$0.00	\$0.00		\$0.00	\$81,400.00
					\$0.00			\$0.00	\$0.00	\$81,400.00
								Principal Outstanding		\$81,400.00
								Interest & Penalties		\$0.00
								Total Amount Due		\$81,400.00



Universal Service
Administrative Co.

EXHIBIT

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B

Written Response Required by
February 7, 2019

First notice via certified mail

January 7, 2019

Mr. Doug Oberlander
VoiceSpring, LLC
2216 W. Altorfer
Peoria, IL 61615

Re: Federal Communication Commission Telecommunications Reporting Requirements
Telecommunications Reporting Worksheet (FCC Form 499-A) *ALM*

Dear Mr. Oberlander:

Section 254(d) of the Telecommunications Act of 1996 established the requirement that “[e]very telecommunications carrier that provides interstate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, to the specific, predictable, and sufficient mechanisms established by the [Federal Communications Commission] to preserve and advance universal service.” 47 U.S.C. § 254(d). Section 54.711 of the Commission’s rules establishes reporting requirements for entities that are required to contribute to the universal service support mechanisms. 47 C.F.R. § 54.711. Section 54.713 establishes penalties for failure to report and/or contribute. 47 C.F.R. § 54.713.

The Commission has established a set of forms for entities subject to the reporting requirements of 47 C.F.R. § 54.706(a). The Commission has also designated the Universal Service Administrative Company (“USAC”) as the administrator of the universal service support mechanisms (47 C.F.R. § 701(a)) with responsibility for “billing contributors, collecting contributions to the universal service support mechanisms, and disbursing universal services support funds.” 47 C.F.R. § 54.702(b).

To date, USAC has no record of VoiceSpring, LLC submitting filings that it may be required to make pursuant to 47 C.F.R. § 54.706(a). USAC requests that VoiceSpring, LLC review the Commission’s regulations concerning entities that must contribute to the universal service support mechanisms and advise USAC by formal, written response signed by a company officer by the date set forth above whether it is required to make the aforementioned filings, and if so, when it will make such filings. If VoiceSpring, LLC believes it is not required to make the filings required by Section 54.706(a), then USAC requests VoiceSpring, LLC provide a detailed formal, written explanation signed by a company officer by the date set forth above concerning its exemption from Section 54.706(a). If VoiceSpring, LLC is already filing the FCC Form 499-A, please inform USAC of your Filer ID numbers. Failure to respond by the requested date may result in USAC referring this matter to the Commission’s Enforcement Bureau for action.

VoiceSpring, LLC

January 7, 2019

Page 2

Additional information concerning universal service is available on the Commission's website: http://www.fcc.gov/wcb/tapd/universal_service/. Additional information concerning universal service contribution requirements is available on the USAC website: <http://www.usac.org/fund-administration/contributors/>.

Please direct any questions regarding this matter to me at 202-772-4507 or Rosella.Talarico-Diaz@usac.org. If we do not hear from you within the **Response Required** period of time we will report your business to the FCC.

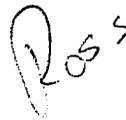
Thank you for your prompt attention to this matter.

Sincerely,



Rosella Talarico-Diaz

Senior Telecom Industry Analyst, Contributor Operations, Finance
Universal Services Administrative Company



1/23/19

Universal Service Administrative Co.

700 12th Street N.W. Suite 900

Washington, D.C. 20005

Attention Ms. Rosella Talarico-Diaz

Dear Rosella, as per our telephone conversation today here is the reason, we have not filed Form 499-A.

When Voicespring started in business in June of 2006 we were told by our attorney that the USF fees did not apply for us. We have been paying USF fees billed to us by our underlying carriers who are Level 3 and Bandwidth.

We assumed because these underlying carriers were charging us USF fees, we were compliant also I knew we did not have enough revenue in the classification of Interstate, toll free and international calls to warrant any payments due to the dominus.

I did not realize we still needed to file an annual 499-A

I believe we did get registered back in 2006 with the FCC and other required entities because we did apply to be a CLEC back then. We were approved but we never pulled the trigger so to speak and just decided to go totally VOIP with hosted phone service as our business model.

I will follow up with you around February 25th or 26th as I will be back at mt office. We can get this resolved in the very near future.

Sincerely,

Doug Oberlander

President

